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BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
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In the Matter of

Local Competition and Broadband Reporting

CC Docket No. 99-301

COMMENTS  
of the  
GENERAL SERVICES ADMINISTRATION

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## **Summary**

In these Comments, GSA urges the Commission to implement a comprehensive program for collecting data on the status of competition for local telephone and advanced telecommunications services. From GSA's perspective as an end user, it is vital that the Commission adopt reporting requirements that are sufficient to ensure the orderly development of competition, but not so extensive that they impair the development of the competition that they are designed to measure.

GSA concurs with the tentative conclusion that the Commission should obtain data covering a wide range of telecommunications services. Service offerings have proliferated, and competitive conditions differ widely among different types of services and among geographical areas. To shape the requirements for regulation and assess the need to implement pro-competitive tools at the Commission's disposal, it is important to have reliable and geographically targeted information on existing and projected levels of competition for all telecommunications services.

GSA also supports the tentative conclusion that the Commission should obtain data from a wide range of carriers, including large and medium-sized incumbent LECs, as well as larger competitive LECs and wireless carriers. Experience has shown that it is not possible to assess the extent of competition by relying solely on reports of the largest incumbent LECs.

On the issue of reporting frequency, GSA recommends starting with a shorter cycle and then shifting to a longer cycle after a year or so. As GSA explains, this procedure would help to give an early indication of trends and growth rates, but reduce the requirements to prepare and process reports in the long run.

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CC Docket No. 99-301

**COMMENTS  
of the  
GENERAL SERVICES ADMINISTRATION**

The General Services Administration ("GSA") submits these Comments on behalf of the customer interests of all Federal Executive Agencies ("FEAs") in response to the Commission's Notice of Proposed Rulemaking ("Notice") released on October 22, 1999. The Notice seeks comments and replies on the need to collect information on the status of competition for local telephone and advanced telecommunications services.

**I. INTRODUCTION**

Pursuant to Section 201(a)(4) of the Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. 481(a)(4), GSA is vested with the responsibility to represent the customer interests of the FEAs before Federal and state regulatory agencies. From their perspective as end users, the FEAs have consistently supported the Commission's efforts to bring the benefits of competitive markets to consumers of all telecommunications services.

The Telecommunications Act of 1996 ("Telecommunications Act") places obligations on regulators and carriers to foster competition, to ensure universal

service, and to reduce regulatory surveillance when competition has been achieved.<sup>1</sup> Also, Section 706(b) of the Telecommunications Act requires the Commission to monitor the deployment of broadband services to all Americans.<sup>2</sup> To achieve all of these objectives, the Commission needs a considerable amount of information in addition to the financial data necessary for direct regulation of the carriers under its jurisdiction.<sup>3</sup>

In the past few years, the Commission has relied substantially on *ad hoc* and voluntary procedures for collection of data on local service competition and advanced services deployment. However, the Notice explains that these procedures have fallen short in producing data of uniform quality and reliability.<sup>4</sup> Consequently, the Notice presents the tentative conclusion that the Commission should adopt a carefully designed, comprehensive, and mandatory data collection program.<sup>5</sup>

GSA has a vital stake in this matter because Federal agencies are consumers of telecommunications services and facilities provided by nearly all carriers subject to the Commission's reporting regulations. As consumers, the FEAs recognize the importance of accurate measures of competition. These measures are necessary to design a regulatory framework that is not unreasonably costly to operate and administer, but sufficiently powerful to promote the orderly development of competition and ensure that incumbent carriers do not exploit their market power where competition has not yet developed. Moreover, an on-going data collection program

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<sup>1</sup> Notice, para. 12, citing Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, codified at 47 U.S.C. §§ 151 *et seq.* ("Telecommunications Act").

<sup>2</sup> Notice, para. 7.

<sup>3</sup> *Id.*, paras. 8-11.

<sup>4</sup> *Id.*, para. 12.

<sup>5</sup> *Id.*

will allow the Commission to capture trends in the development of competition so that it will be possible to pace appropriate changes in the regulatory framework.

**II. THE COMMISSION SHOULD ESTABLISH A COMPREHENSIVE DATA COLLECTION PROGRAM ENCOMPASSING WIRELINE, WIRELESS AND BROADBAND SERVICES.**

The Commission proposes to obtain comprehensive information on the deployment of all types of telecommunications services. As described in the Notice, the Commission tentatively concludes that it should obtain data on:

- the number of voice grade wireline and wireless channels;
- the number of voice grade lines served from switching centers of incumbent local exchange carriers ("LECs") where competitors have collocation arrangements;
- the number of high capacity and broadband facilities;
- line counts for various Internet-provided telephony services; and
- the number of voice-grade mobile telephony subscribers.<sup>6</sup>

The plan outlined in the Notice requires carriers to provide disaggregated information for each of these groups of services. For example, LECs would report the number of voice grade lines in three categories: (1) switched lines terminating at the premises of residence subscribers; (2) switched lines terminating at the premises of other users (including business, government, shared tenant and pay telephone customers); and (3) special access lines.<sup>7</sup> Moreover, carriers would provide separate counts of facilities provided to competitors, including lines provided for resale as well as unbundled network element ("UNE") loops.<sup>8</sup>

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<sup>6</sup> *Id.*, paras. 50-72.

<sup>7</sup> *Id.*, para. 51.

<sup>8</sup> *Id.*

The Commission observes that several respondents to the Notice in the *Federal Register* suggest that the Commission might rely instead on state data collection efforts or publicly available information.<sup>9</sup> However, GSA agrees with the tentative conclusion to establish a uniform national data collection system. The Notice explains that state programs are not uniform, so that reliance on these sources would not generally provide consistent data.<sup>10</sup> Moreover, data on services provided over competitive LECs' facilities and data on the deployment of advanced services are not available from any public source.<sup>11</sup>

GSA also concurs with the Commission's tentative conclusion to obtain data covering a wide range of telecommunications services. Up to this point, the Common Carrier Bureau's Industry Analysis Division has concentrated on obtaining information on wireline switched services. However, service offerings have proliferated, and competitive conditions differ considerably among different services in various geographical areas. To shape the requirements for regulation and to determine the need for a variety of pro-competitive tools at the Commission's disposal, it is necessary to have reliable and geographically targeted information on the level of competition for all types of telecommunications services.

Competitive LECs and end users have previously described the requirements for comprehensive data on competition. For example, the Commission released a Notice of Inquiry in CC Docket No. 98-146 inviting comments and replies on actions that the Commission could take to ensure deployment of advanced

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<sup>9</sup> *Id.*, para. 14.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*, paras. 14 and 30.

telecommunications capabilities.<sup>12</sup> Comments by carriers in response to that Notice describe the need for data on the availability of local access facilities supporting high bandwidth transmission services, as well as data describing the availability of collocation options and UNEs.<sup>13</sup>

GSA has submitted Comments and Reply Comments in nearly every major Commission proceeding since the Telecommunications Act was passed. In those submissions, GSA has explained that a wide variety of telecommunications services — including high capacity, broadband and Internet services — are vital to Federal agencies in performing their functions. In its submissions, GSA has described the role of comprehensive data on the development of competition in “traditional” voice and data services,<sup>14</sup> advanced telecommunications services,<sup>15</sup> and telecommunications services providing access to the Internet.<sup>16</sup>

In summary, consumers and competitors have a stake in the development of competition for the entire spectrum of services identified in the tentative conclusions presented in the Notice. GSA urges the Commission to adopt a carefully structured,

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<sup>12</sup> *In the Matter of Inquiry Concerning the Deployment of Advanced Telecommunications Capabilities to All Americans in a Reasonable and Timely Fashion*, CC Docket No. 98-146, Notice of Inquiry released August 7, 1998.

<sup>13</sup> *Id.*, Comments of MCI WorldCom, p. 10; and Comments of AT&T, p. 43.

<sup>14</sup> *In the Matter of Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase I*, CC Docket No. 99-253, Comments of GSA, August 23, 1999; and Reply Comments of GSA, September 9, 1999.

<sup>15</sup> *In the Matter of Deployment of Wireline Service Offering Advanced Telecommunications Capability et al.* CC Docket No. 98-147 et al., Comments of GSA, September 25, 1998; and Reply Comments of GSA, October 16, 1998.

<sup>16</sup> *In the Matter of Usage of the Public Switched Network by Information Service and Internet Providers*, CC Docket No. 96-263, Comments of GSA and the Department of Defense, March 24, 1997; and Reply Comments of GSA and the Department of Defense, April 23, 1997.



comprehensive, and mandatory data collection program to ensure orderly development of competition for all telecommunications services.

### **III. REPORTING REQUIREMENTS SHOULD EXTEND TO ALL TYPES OF CARRIERS.**

While the Commission should minimize the burdens on carriers, it is vital to obtain information from a wide variety of reporting sources. The Commission tentatively concludes that data should be obtained from large and medium-sized incumbent LECs, as well as some competitive LECs and wireless carriers.<sup>17</sup> Basically, all carriers with either 50,000 local access lines or 50,000 subscribers nationwide would be required to file information under the program.<sup>18</sup>

The Notice also presents the tentative conclusion that each reporting carrier should supply geographically deaveraged data for all states in which the carrier provided services during the reporting period.<sup>19</sup> The Notice seeks comments on whether quarterly, semi-annual, or annual reporting would best meet the goals of the program.

GSA urges the Commission to adopt the tentative conclusions in the Notice concerning the scope of the program. The Common Carrier Bureau has noted that its experience with "voluntary" surveys shows that it cannot make an accurate assessment of the status of local competition solely on the basis of incumbent-provided information.<sup>20</sup> Also, wireless access is often a substitute for wireline, so that it is important to obtain comprehensive information on the deployment of wireless services as well. Moreover, it is vital to obtain data on the deployment of broadband

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<sup>17</sup> Notice, para. 24.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

<sup>20</sup> *Id.*, para. 25.

and Internet services, as the Commission explained when it initiated CC Docket No. 98-146 last year.<sup>21</sup>

On the issue of reporting frequency, there is a difficult choice between quarterly or semi-annual reporting, which would provide more current information, and annual reporting, which would be less costly. To balance these aims, GSA suggests starting with a shorter period and shifting to a longer one in a year or so. This procedure would provide more data at the outset and help to give an early indication of trends and growth rates.

For example, GSA suggests that the Commission might establish a program of reports with data as of December 31, 1999, June 30, 2000, December 31, 2000, June 30, 2001, December 31, 2001, and then annually thereafter. If it is not practical to begin the program in time for an initial report with data as of December 31, 1999, GSA urges the Commission to attempt to start with data as of the end of the first quarter in 2000, then June 30, 2000, and then continuing on the schedule above.

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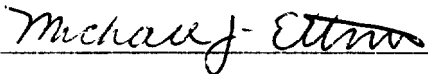
<sup>21</sup> *In the Matter of Inquiry Concerning the Deployment of Advanced Telecommunications Capabilities to All Americans in a Reasonable and Timely Fashion*, CC Docket No. 98-146, Notice of Inquiry released August 7, 1998.

#### IV. CONCLUSION

As a major user of telecommunications services, GSA urges the Commission to implement the recommendations set forth in these Comments.

Respectfully submitted,

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December 3, 1999

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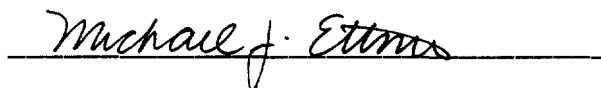
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